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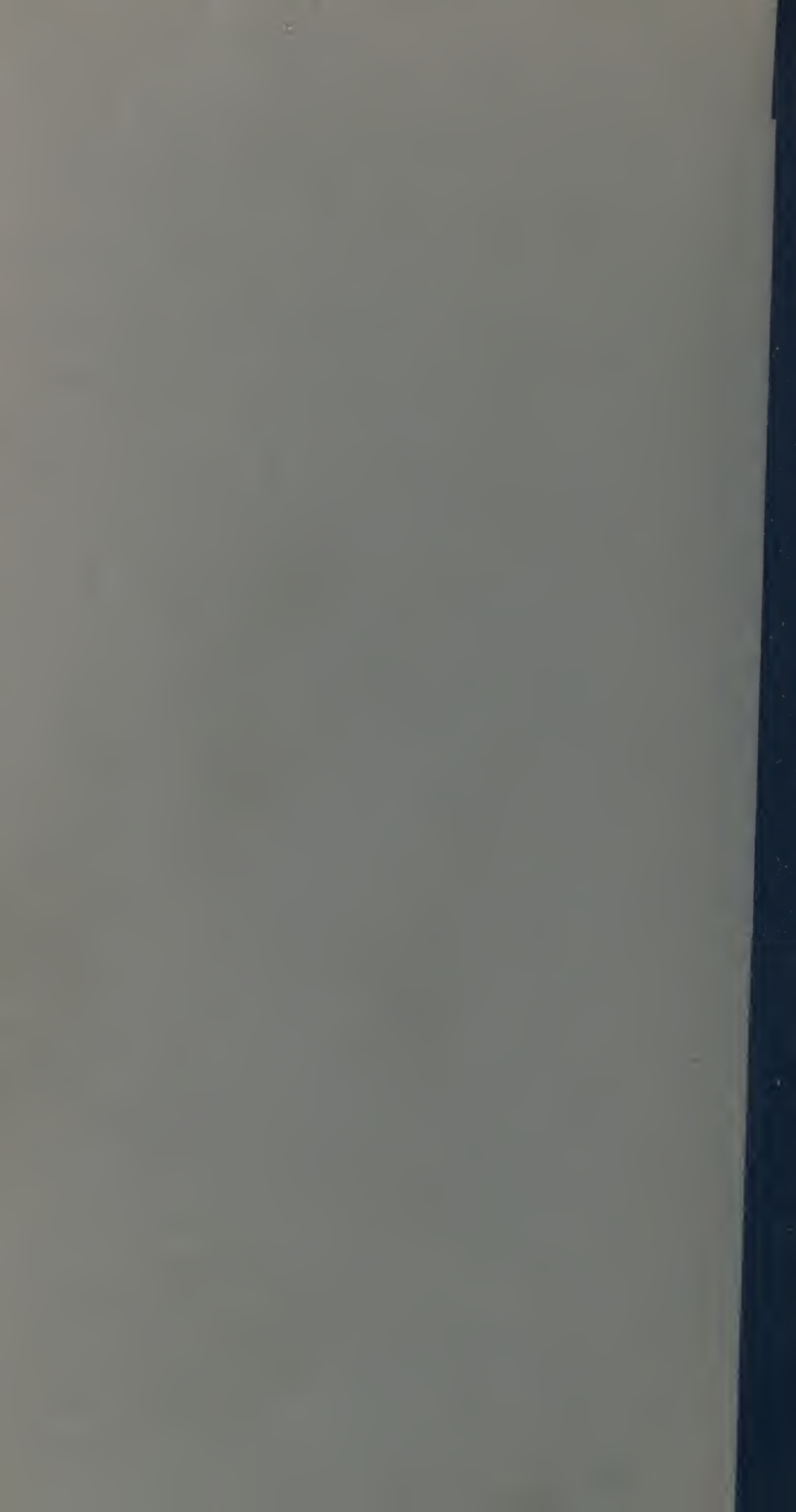


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[Rose, George]

A brief examination
into the increase of
the revenue. 4th ed.
with considerable
additions

HJ
1017
R753
1793





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(Rose, George)

A
BRIEF EXAMINATION
INTO THE
I N C R E A S E
OF THE
Revenue, Commerce, and Navigation,
OF
G R E A T B R I T A I N,
SINCE THE
CONCLUSION OF THE PEACE IN
1783.

*“ Si palatinas videt æquus Arces,
“ Remque Romanam, Latiumque felix,
“ Alterum in Lustrum, meliusque semper
“ Proroget Ævum.”*

THE FOURTH EDITION,
WITH CONSIDERABLE ADDITIONS,

L O N D O N:
PRINTED FOR JOHN STOCKDALE, PICCADILLY, 1793.

[Price 1 s. 6 d.]

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INTRODUCTION.

THE following pamphlet, first published early in the last year, was intended to shew with fairness and accuracy, the real situation of the Country, as to its Revenue, Commerce, and Navigation; the utmost care was taken to avoid all political discussion, and to keep clear of every thing that had relation to matters of Party; but even that caution could not ensure universally a candid consideration of the subject; there are some men disinclined to believe their Country in a state of encreasing prosperity, especially under an administration they do not like, and who, with that impression on their minds, will either refuse their assent to the clearest propositions, or will advance others that cannot be supported either by facts or argument.

The only attempt however to invalidate the encouraging prospect resulting from this enquiry, which has yet come to the author's knowledge, was made by a writer in a newspaper*, who undertook to shew that the Country *has been* in a much better situation than it was in the beginning of 1792; in order to which he states, that in two of the years from 1787 to 1790 the Balance of

* Morning Chronicle of May 5th 1792.

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Trade was against us, and that the four years from 1772 to 1775 were more favorable (meaning thereby that the Exports bore a greater proportion to the Imports) than from 1787 to 1790, by no less a sum than £.11,505,000; and then asserts, “there cannot be a clearer proposition, than that “when the Imports exceed the Exports the “Balance must be paid in gold or silver;” the statements are from this pamphlet, and are correct as far as they go, but they are partially extracted; the reasoning upon them is not just, and the last assertion is utterly unfounded as applied to this Country; the Imports in 1787 and 1788, says the writer, exceeded the Exports by £.1,491,000, passing by entirely the two following years, 1789 and 1790, when the Exports exceeded the Imports by £.2,509,000: Admitting therefore for a moment a comparison of the Exports and Imports to be a fair criterion of national prosperity, it would have been more candid not to have stopped at 1788 to shew the state of our Commerce in the beginning of 1792; but that would not have answered the intended purpose. It is worthy of observation too, that in the whole period from 1787 to 1790, the Exportation of
British

British Goods bore a larger proportion to that of foreign merchandize, than in the one from 1772 to 1775, which is an incontestable proof of the rapid increase of our manufactures.

Another instance of the writer's candor is his complaining of the *calamitous year* 1772 being included in the first four years of the comparison, because he says in that year, the East India Company postponed as well as reduced their dividends, and the whole credit of Scotland, and of a great part of the city of London was shook to its centre.

What effects those events produced will be seen by the following account, which proves that the Exports in that *calamitous year*, were considerably higher than in any one of the three that followed, and the Imports much higher than the average of the other three;—he chooses to compare the year 1771 however, with 1772, because in the former there were immense quantities of goods sent to America, in consequence of the Trade being then opened after almost a total interruption with a great part of that continent for a considerable length of time, by their non-importation agreement : the following account will as-

certain this, and will prove that the years from 1772 to 1775, shew the highest fair average of the Exports during the last peace; 1771 could not be included without going back at least two years, for the reasons above mentioned.

	Value of Exports.
1768 - - -	£. 16,622,000
1769 - - - -	15,001,000
1770 - - - -	15,995,000
1771 - - - -	18,470,000
1772 - - - -	17,719,000
1773 - - - -	16,531,000
1774 - - - -	17,285,000
1775 - - - -	<u>16,325,000</u>

Average of these 8 years £. 16,743,000, which is nearly £. 1,000,000 less than the Exports in the year which the writer selected as a calamitous one.

It will not, however, be acknowledged, that it is highly disadvantageous to a Country to import to a greater extent than it exports; a different opinion prevails, and a late writer, for whose inimitable talents the best informed men have the highest respect, is no mean authority on the subject.

“ * This Balance of Produce and Con-

• Smith's Wealth of Nations, Vol. iii. ch. 3. p. 251.

“ sumption

“sumption is entirely different from what
“is called the Balance of Trade. It might
“take place in a Nation which had no fo-
“reign Trade, but which was entirely se-
“parated from all the world. It may take
“place in the whole globe of the earth,
“of which the Wealth, Population, and
“Improvement may be either gradually in-
“creasing or gradually decaying.”

“The Balance of Produce and Consump-
“tion may be constantly in favour of a Na-
“tion, though what is called the Balance
“of Trade be generally against it. A Na-
“tion may import to a greater value than
“it exports for half a century, perhaps, to-
“gether ; the Gold and Silver which comes
“into it during all this time, may be all
“immediately sent out of it ; its circulating
“Coin may gradually decay, different sorts
“of Paper Money being substituted in its
“place, and even the Debts too, which it
“contracts in the principal Nations with
“whom it deals, may be gradually increas-
“ing, and yet its real wealth, the unchange-
“able value of the annual produce of its
“Lands and Labour, may, during the same
“period, have been increasing in a much
“greater proportion. The state of our
“North American Colonies, and of the
“Trade

“ Trade which they carried on with Great
 “ Britain, before the commencement of the
 “ disturbances in 1775, may serve as a proof
 “ that this is by no means an impossible
 “ supposition.”

It cannot, however, be necessary to pursue the discussion further, as our Exports have for four years past exceeded our Imports; and because in any event, as to Great Britain, *the assertion* is ridiculous in the extreme, when it is considered, that of the value of our Imports nearly a * fifth part on an average is from our Colonies in the West Indies, a very large proportion of which is spent in this country, and consequently contributes to the increase of our inland as well as our customs Revenue; a large proportion too of those from the East Indies, affords the means of remittance to the Company of their Territorial Revenues, and to individuals, of their private fortunes †. The Balance of Trade must therefore be infinitely more against us than it has yet been,

* Average Annual Value of Imports into Great Britain
 for five years, 1787, to 1792 £. 18,450,200
 Ditto . . from the West Indies - - - 3,836,600

† Average Annual Value of Imports from the East Indies,
 from 1768 to 1775 - - - £. 1,760,000.
 Ditto - - - - 1787 to 1792 - - - - 3,457,000.

before

before we are *thereby* compelled to send out Gold and Silver, especially when the growing prosperity of our fisheries is considered *. Bullion has been and always will be sent to some countries, in the general course of Trade, while we are importing it from others.

After these observations, it is hardly necessary to add, that the Imports have been greatly swelled, in several instances, for some years past, by an increased demand of Raw Materials for our Manufactures; in the article of Cotton Wool, the average annual excess of the last four years, compared with the period of 1768 to 1775, is 23,000,000 lbs. †

The rapid increase of our Commerce, Navigation, and Manufactures, in the course of the year since the publication of the first edition of this Enquiry, has exceeded the most sanguine expectations on the subject, as will be shewn in the following sheets: The advantages resulting from thence have however suffered an interruption from a

* Average Annual Value of Oil imported into Great Britain
from our Fisheries, from 1768 to 1775 - £. 23,694
Ditto - - - - - 1787 to 1792 - - 206,480

† At 2s. per lb. is worth £. 2,300,000.

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concurrence of temporary circumstances, very little connected with the war with France; it would be extremely difficult to ascertain to what extent the demand for our Manufactures is lessened by the disturbances prevailing on the continent of Europe, but the only immediate consequence in that respect of the hostilities in which we are engaged, is the excluding us from Exports to the French dominions, to the value of £. 717,000 per Annum, on an average, since the Commercial Treaty, which is less than half of the Increase of the Value of our Manufactures exported in the last year above the preceding one. Commercial Credit may be affected by various causes independently of War; it was in periods of Peace, and apparently of the highest National Prosperity, that Holland, in the year 1762 or 1763, and England in 1772, suffered great inconvenience for a short time from a Want of Credit; the exertions now made for relief of the Mercantile and Manufacturing Interests are considerable, and will, it is trusted, extricate the Country from its distress effectually: Confidence among Merchants and Traders was wanting more than Money, and the means for
restoring

INTRODUCTION.

restoring that, appear likely to attain the object so much to be wished for. In forming a judgment in what degree the full effects of the growing Prosperity of the Country may be checked by the present War, it should be considered that we have not now, as in the last instance, half the world against us, but have to contend with one nation only, already engaged in hostilities with a great part of Europe, and that we shall not be again restrained in destroying the Commerce, and preventing the Supplies of our Enemy, by neutral Powers insisting on their right of being carriers.

The following state of our Trade during the war of 1756, will indeed afford a reasonable expectation, that our Commerce and Manufactures may not be materially affected by that cause now; the Revenue, independent of new Taxes, must in a great degree have kept pace with our Imports, which are here shewn: A similar account during the last war, would in no degree enable a just comparison, because during that, the whole Trade with the colonies which now form the American States was entirely interrupted, and we lost most of our West India islands.

AN ACCOUNT OF IMPORTS.

	Exclusive of new Colonies.	From new Colonies.	Prize Goods,	TOTAL.
1755	£.8,722,000	—	—	£.8,722,000
1756	7,750,000	—	£. 211,266	7,961,266
1757	8,200,000	—	627,553	8,827,553
1758	7,787,000	—	1,052,522	8,839,522
1759	8,408,000	£. 72,726	441,364	8,922,090
1760	8,942,000	426,521	465,602	9,834,123
1761	8,799,000	496,194	248,702	9,543,896
1762	7,733,000	833,749	302,819	8,869,568
1763	10,471,000	—	—	10,471,000

AN ACCOUNT OF EXPORTS.

	Exclusive of new Colonies.	To new Colonies.	Prize Goods.	TOTAL.
55	£.11,065,000	—	—	£.11,065,000
56	11,446,000	—	£.274,545	11,720,545
57	11,132,000	—	901,207	12,033,207
58	11,717,000	—	1,205,809	12,922,809
59	13,211,000	£. 43,339	692,743	13,947,082
60	14,234,000	165,199	340,336	14,739,535
61	14,319,000	358,235	195,164	14,872,499
62	12,708,000	601,678	235,364	13,545,042
63	14,106,000	—	—	14,106,000

A BRIEF

A

BRIEF EXAMINATION, &c.

THE immense accumulation of the Public Debts, and the depressed state of Public Credit, of the Revenue, and of the Funds, at the close of the last War, together with the loss of several extensive and populous Colonies in North America, led some of the ablest and most experienced men in the Kingdom, not in general inclined to despondency, to doubt whether it would be possible for Great Britain, reduced apparently to the lowest ebb by a succession of misfortunes, and by expences unprecedented in any former time, ever to regain Prosperity at home or Influence abroad. The events, however, which have since happened, shew as well the effect which may be produced by a resolution to encounter the difficulties of the most embarrassed situation, as the extent of the resources to

be derived from a spirit of national Industry and Enterprize.

The Object of the following Statement is to direct the attention of the Public to the present circumstances of the Country, with respect to its Finances and Commerce, compared with the period above alluded to, as an inducement to perseverance in the same laudable exertions; and at the same time to bring to recollection some of the principal measures which have contributed essentially to the restoration of our Credit, and to the increase of our Wealth and Trade.

It would be foreign to our Purpose to trace the several ministerial changes which took place towards the close of the War, and upon the Pacification; it is sufficient to remark, that the definitive treaty of Peace was signed in September 1783, and that the present Administration commenced at the close of the year; a memorable political struggle then prevailed during several months, and it was not till after the meeting of the
new

new Parliament, in the spring of 1784, that the Government was in a situation to propose efficient measures respecting the Revenues of the country.

The produce of the Permanent Taxes for a year, to 5th January 1784, had been £. 9,667,206, to which should be added £. 527,053 for duties due by the East India Company within the year, but not paid till a future one, making in the whole £. 10,194,259; at this period the interest of the funded debt alone was £. 8,000,284, besides which there were outstanding Demands satisfied in 1784, by a loan of £. 6,000,000; these, together with Navy and Victualling Bills, and Ordnance Debentures, amounted in the whole to TWENTY-SEVEN MILLIONS, (exclusive of * £. 2,000,000 afterwards granted by par-

Amount
of Reve-
nue in 178
and of the
Charges
upon it.

* This might very properly be considered as a part of the Unfunded debt; because the claim on the generosity of the country, to whatever extent it was thought proper to admit it, existed at the conclusion of the war, although it was not liquidated till some time after;—but it is omitted here, as the profits of the Lottery have been applied to the payment of it.

liament to the American Sufferers) and were funded in 1784 and 1785.

The new funds thus created, increased the annual interest of the Debt to £.9,275,000; to which must be added £.260,000 for the annual interest of Exchequer bills, and £.1,048,000 for the annual charges on the Aggregate Fund (including the Civil List) and the amount of Duties appropriated for particular purposes and not applicable to the national Expenditure.

The result is, that the whole charges on the Revenue, exclusive of all the Establishments, amounted to £.10,575,000; which exceeded the produce of the Permanent Taxes to January 5th 1784, by £.380,741. It was certainly reasonable to expect some Increase of Revenue from the restoration of Peace, but such Increase could not at that time be depended upon with certainty; the only existing Resources for supplying the deficiency of the Permanent Revenue, and for defraying the expences of all the annual Establishments (which could by no calculation

calculation be supposed to be less than £.4,000,000, and have in fact proved to be more) were the Duties on Land and Malt, producing on an Average about £.2,560,000, which left a deficiency; on the whole, of ONE MILLION EIGHT HUNDRED AND TWENTY THOUSAND POUNDS, below the Sums necessary to provide for the annual expences, exclusive of any provision for the reduction of the National Debt,

Of all the Circumstances in this situation, none operated in more ways to depress the Public Credit, and encrease its embarrassments, than the large amount of the Unfunded Debt before stated; yet this very depression of Credit added to the difficulty of removing the Evil,

Unfunded
Debt.

The £.3 Per Cents, which at the Peace of 1763 rose to £.95, did not on the late Peace rise higher than £.69, at which price they were in March 1783, but they continued so high only a few weeks; they afterwards fell gradually till February 1784,

Depression
of the
Funds.

when they were at £.55 and a fraction, and were in May and June 1784 (when the Debt was funded) at £.58*.

Deficiencies of Taxes during the War, and in 1783.

The Account given by the Committee of Finance in 1782, throws a further light on these discouraging prospects, and particularly on the deficiency of new Taxes imposed during the War, compared with the increased Interest on the Money then borrowed. It appears by that Report, that there was an accumulated Deficiency of £. 2,246,000 of the Interest of Monies raised between 1776 and 1782, and an annual one of £. 395,931.

* They fell in a few months to £. 54 $\frac{3}{8}$, in consequence of the large Loan and heavy Taxes of this session, and did not rise again to £. 58 till July 1785. They were in February 1782 as low as £. 53 $\frac{3}{8}$. In the war of 1744, they were only 5 months under £. 80, the lowest during the rebellion in 1746 £. 74 $\frac{1}{4}$; and at the Peace which followed, they rose above par. They then fell in a few months to £. 99 and £. 98; but between 1750 and 1756, they varied from £. 100 to 105 $\frac{1}{2}$ (once rising to £. 106) except during a few months in 1751, when they were from £. 97 to £. 99. From 1765 to 1776 they fluctuated principally from £. 87 to £. 92 or £. 93; in one week rising to £. 94. On the 30th of April 1793, in a time of war, and under circumstances distressing to the Credit of the Country, they were £. 77 $\frac{3}{8}$.

The

The ground of Despondency indeed increased at the commencement of the Peace, when better Expectations were naturally entertained; for the Taxes of 1783, which were imposed to pay an Interest of more than £. 560,000, did not produce half that Sum.

It appears further, by the same Report, that the Annual Amount of all the Taxes, including the old and the new, from 1774 to 1782, from Easter to Easter, was as under,

Amount of
Permanent
Taxes
from 1774
to 1782.

1774 to 1775	-	-	£. 8,439,000
1775 to 1776	-	-	- 8,068,000
1776 to 1777	-	-	- 8,047,000
1777 to 1778	-	-	- 8,782,000
1778 to 1779	-	-	- 7,967,000
1779 to 1780	-	-	- 8,747,000
1780 to 1781	-	-	- 10,289,000
1781 to 1782	-	-	- 9,245,000*;

* To which should be added £. 163,000 for duties due by the East India Company within the year, which were not paid till a subsequent one.

and

and in the year ending January 5th, 1784, the Taxes amounted to £. 10,194,259, including some Duties due by the East India Company in that year, but not paid till a subsequent one.

Increase of
the Interest
of the Debt
during the
War be-
yond In-
crease of
Revenue.

The whole Permanent Revenue therefore was £. 1,755,259 higher in 1783, than in 1774, and the Interest of the Debt funded and to be funded was increased £. 4,864,000, so that the total increase of Revenue was less than the increase of annual Interest by **THREE MILLIONS ONE HUNDRED AND EIGHT THOUSAND POUNDS.**

It is not easy for the Mind of Man to conceive a Task more painful than the Attempt to provide for great Exigencies, in such a situation as has been described; fortunately however, although there was in general little hope of success, there appeared a spirit in all ranks of people, to support any exertion which might afford a chance of extricating the Country from its difficulties.

The

The whole of the Navy and Victualling Bills, and Ordnance Debentures, were funded in the two first Sessions of the new Parliament, for the Interest of which efficient Taxes were provided; and from this time a system of Measures was adopted and pursued, not only to impose such new Taxes as might be necessary, but also to enforce and improve the collection of existing Duties, in order to equalize the Public Income to the Expenditure, and farther to produce a Surplus applicable to the reduction of the Debt.

Debt funded and Taxes imposed since the Peace.

The Taxes imposed in 1784 and 1785, produced in 1786, £. 938,000, and those in 1789, more than £. 60,000 *.

With a view to the improvement of the Revenue by Regulations, an Act, containing several provisions against Smuggling, was passed in the first Session; which had

Smuggling Act.

* These last were imposed to pay the Interest of the Loan of £. 1,000,000 raised by way of Tontine, to defray extraordinary Expences since the Peace.

an immediate effect, in considerably lessening the illicit Trade carried on in Cutters, and other small Vessels, all round the Coasts of this Kingdom; the Act extended the hovering Laws, restrained the built and rigging of the Vessels, prohibited their being armed, and directed the destroying such as should be taken, that they might not be again used by the Smugglers: The operation of this Law was however greatly aided by another, generally known by the name of the Commutation Act, which reduced the Duties on Tea so low, as to prevent the fraudulent Importer from carrying on any profitable traffic in that Commodity. It is impossible to calculate the exact Increase which these Measures occasioned in other branches of the Revenue; but it is evident, that the depriving the Smuggler of the principal Article in the assortment of his Cargo, must have produced a great effect. The benefits of the Commutation Act in other points of view fall under a separate consideration; but it is proper to observe here, that the gradual diminution of Smuggling ever since, is the best

Commuta-
tion Act.

best proof of the efficacy of this and the other Measures which have been adopted.

In 1786 the Manifest Act was passed; which has nearly annihilated a branch of Smuggling, carried on formerly to a certain extent, from regular trading Ships on their arrival in the river Thames, and at the several Ports of the Kingdom, and has considerably corrected the Frauds in the obtaining Bounties and Drawbacks.

Manifest
Act.

In the same year the measure of excising Wine was adopted; the benefits resulting from which will be made most evident, by shewing the increased legal Consumption, and the benefit derived to the Revenue therefrom:

Excising
Wine.

D

Quantities

	Tons.	Duty after deduct- ing Drawbacks.
Quantities imported in 1790	- - - 29,189	£. 804,167
1791	- - - 33,092	- - - 910,920
1792	- - - 35,525	- - - 1,031,704
		<u>2,746,791</u>
Average of the three last years	- - - 32,602	915,597
Average of 1784, 1785, and 1786	- - - 15,953	625,454
Average Increase	- - - Tons 16,649	<u>£. 290,143</u>

The

The increase of Revenue, when the comparative Quantities are considered, would have been much greater, but for the reduction of Duties adopted for the purpose of obtaining great commercial Advantages by the Treaty of Commerce with France, which had been signed on the 26th of September 1786.

Portugal Wines were reduced one-third, and French Wines one-half.

The Revenue derived a further advantage from the Consolidation of the Customs in 1787; a part of this arose from converting the fractional parts of the Rates into Integers, which, though lowered in a few instances, were raised in more, and had, upon the whole, the effect of producing some Increase *. Much more, however, was gained by a judicious lowering of the Duties on Drugs and a few other articles, the consumption of which was before supplied by the Smuggler.

Consolidation of the Customs.

* In 1788, £. 20,853.—In 1789, £. 22,696.—In 1790, £. 24,292.—In 1791, £. 25,340.—In 1792, £. 25,930.

The additional Rates on some sorts of Wood, and the new descriptions of others for better ascertaining the proper Duties, occasioned likewise an Increase*.

The Treaty of Commerce with France being carried into effect by this Bill, as to Duties on Importation from that Country, the Revenue of Customs also profited, to a small extent †, by the Duty imposed on Cambrics, the Rate of which had been stipulated by the Article of the Treaty which provided for their admission into this Kingdom. This gain to the Revenue was obtained without being a detriment to any of our Manufactures, for the severest Laws had not been able to prevent the Introduction and use of the article; the Smuggler therefore alone profited by the Prohibition while it existed. But the most evident Augmentation of Revenue in con-

Duties on
Spirits
lowered.

* These amounted on the whole as follows:—In 1788, to £. 43,699.—In 1789, to £. 37,668.—In 1790, to £. 48,697.—In 1791, to £. 48,320.—And in 1792, to £. 49,504.

† The Duty amounted in 1790 to near £. 12,000.—In 1791 to £. 13,737.—And in 1792 to £. 10,305.

sequence

sequence of this Act, has arisen from the increased legal consumption of foreign and British Spirits produced by a considerable abatement of the Rates ; the Duty on Rum and on British Spirits had been somewhat reduced in 1784, but the great reduction was made by this Law ; the effect will appear by the following Accounts :

Produce

Produce of the Duties of Excise and Customs on foreign Spirits, exclusive of the additional Duties imposed in 1790-1, in		£.
Great Britain, in 1789	- - - - -	948,226
1790	- - - - -	1,082,264*
1791	- - - - -	810,585
1792	- - - - -	965,466
		<u>3,806,541</u>
Average of the last four years		<u>£.951,635</u>

Add the Average Amount of the Duty on Licences to re- tail Spirits, imposed in order to make good in part the		87,775
Reduction of the Duties in 1787		<u>1,039,410</u>
Produce of	- - 1784	560,846
On Increase	- - - - -	<u>478,564</u>

* The high Amount of the Duties in this year, and the Deficiency in the next, was occasioned by the Dealers in Rum taking out all their Stocks in the Bonded Warehouses, and entering a few Cargoes of Brandy from the neighbouring Ports in France, previous to the Commencement of the new Duties in

On a comparison of the Duties on British Spirits, it will be seen that there is an increase of more than £.200,000 *.

Average of Duties 1790 to			
1792 inclusive	-	-	£.637,778
Amount of Ditto in 1786	-	-	430,000
Increase	-	-	<u>£.207,778</u>

The notorious evasion of the Tax on Post Horses led to an attempt for the correction of those Frauds, by letting the Duties to Farm; and the Measure has procured an annual average Increase of £.35,000 on the former Revenue of £.146,000.

Tax on
Post Horses
farmed.

* The additional Duties imposed on Foreign and British Spirits in the years 1779, 1780, 1781, 1782, on the credit of which large Sums were lent to the Public, had the effect each year of considerably diminishing the whole produce on those articles,

The

Excising
Tobacco.

There remained another important Article, of which the Smuggler was supposed to furnish a large proportion, and which (even after he had been driven from the traffic in Tea, and his profits in Spirits had been considerably reduced) principally enabled him to assort his Cargo with some advantage; attempts had been made to prevent the fraudulent trade in Tobacco, by different Acts of Parliament in 1784, and the two following years, without any material success; it was therefore thought expedient, in 1789, to apply the same remedy that had been tried in the case of Wine.

The benefits to be expected from this Measure, did not however protect it from an active though ineffectual resistance. The great extent of Frauds indeed prevailing, and the evident propriety of collecting as great a Revenue upon the Article as it would bear, furnished the strongest reasons for bringing it under the regulations of the Excise;—they were clearly as applicable to the Tobacco Trade as to the others in which they had been found successful, and

the number of additional Persons hereby subjected to these laws is small in comparison to the object *.

Experience has shewn the wisdom and expediency of the Measure with respect to the Revenue; and the Trade, at least the Fair Trade, instead of suffering, has been considerably extended.

Average Amount of Duties in					
3 Years, ending Michael-					
mas 1792	-	-	-	-	£.578,015
Average Amount of Duties in					
3 Years, ending Michael-					
mas 1789	-	-	-	-	423,711
					£.154,304

* The number of manufacturers who were to be subjected to the Excise Survey by the Bill was 337 : The retail dealers were in general subject to survey before, by selling Tea or other exciseable articles:

E

What

**Increase of
Revenue
from 1783
to 1791.**

What has been the total Improvement of the Revenue from the year 1783 to the present time, will appear from the following Statement:

Produce

Produce of all the PERMANENT TAXES.

From 5th January	1783 to 5th January	1784	*10,194,259
1784 to	- - -	1785	10,856,996
1785 to	- - -	1786	+12,104,798
1786 to	- - -	1787	†11,867,055
1787 to	- - -	1788	12,923,134
1788 to	- - -	1789	13,007,642
1789 to	- - -	1790	13,433,068
1790 to	- - -	1791	14,072,978
1791 to	- - -	1792	14,132,000
1792 to	- - -	1793	14,284,295

• The actual Payments into the Exchequer in this year were £.523,053 less than this sum; but it is added here, as Duties of Customs to that amount, due by the East India Company, were postponed.

† Deducting £.401,118 Duties of Customs paid by the East India Company within this year, which became due in a former one.

‡ Deducting £.522,500 of ditto.

£.233,098 of Custom Duties due by the East India Company had been suspended in 1782.

|| From this Sum should be deducted £.193,000, being the Amount of a 53rd Weekly Payment, which would leave the Produce of the Year £.13,879,000.

The first remark which here presents itself is, that the Revenue has almost gradually risen, in the course of the last ten years, from £.10,194,259 to £.14,284,295. Of this great Increase, amounting to more than **FOUR MILLIONS**, £.1,084,041 * may be placed to the account of new Taxes imposed within the period. £.1,165,789 † has been shewn to be derived from the improved collection of several principal Duties;

• Taxes of 1784 and 1785	-	•	£.938,000
Consolidation Act, including Duties on	}		
Wood and Cambric, on a medium			86,041
of the three last years		- - -	
Taxes of 1789	-	- - -	60,000
			<u>£.1,084,041</u>

The Licence Duties on Dealers in Spirituous Liquors are not included in the above, as those Duties were stated to be imposed in order to compensate for the reduction of the Duties on Spirits.

† Foreign Spirits	- - - - -	£. 478,564
British Ditto	- - - - -	207,778
Tobacco	- - - - -	154,304
Post-Horse Duty	- - - - -	35,000
Wine	- - - - -	290,143
		<u>£.1,165,789</u>

a further

a further Proportion is owing to the Measures for preventing contraband Trade, and for the better collection of the Revenues; and the remainder is to be ascribed to the Ingenuity and Energy of our Manufacturers, the Enterprize of our Merchants, and to the general spirit of the Nation, which availed itself with such efficiency of the advantages and blessings of Peace.

Encouraging as this remarkably flourishing state of the Income of the Country is, on the first view of it, it becomes infinitely more so, when we consider that the permanent Taxes have been thus productive, notwithstanding the imposition of temporary Duties, estimated at £.800,000 a year, but producing more, which are not included in the preceding Statement, as they are appropriated to pay the expences incurred for the Spanish armament without Funding. An attentive investigation of this subject induced the Parliament in 1792, proceeding with great caution, and after providing for various extraordinary Services to a very considerable amount,

amount, to repeal Taxes which bore hardest on the middle and lower classes of People, to the extent of more than £.220,000 a year; under an impression, on no light ground, that the repeal of the Taxes would not stop here. Nothing could be more honourable to the Parliament, or more encouraging to the Country, than this measure; because it proved, that although heavy Taxes were imposed when that was indispensably necessary for the credit and welfare of the Nation, yet that there was a disposition to lighten the Burdens of the People, with as little delay as was consistent with the real interest of the Public.

Surplus for
Reduction
of the Na-
tional Debt.

The Measures thus far described, had immediate relation to the Increase of the Revenue, and it was not thought advisable to interrupt the Account of them with referring to any others; but after the preceding Statement, it is impossible not to take notice of the most important of all the Acts passed during the period in question.

THE

THE NATIONAL DEBT

In 1755, previous to the
French War, was - - £. 72,289,000; the Interest £. 2,654,000

In January 1776, before the
American War, it was - £. 123,964,000; ditto £. 4,411,000

In 1786, previous to which the
whole Debt of the last War
was not funded, it was - £. 239,154,000*; ditto £. 9,275,000

* Exclusive of a Capital of £. 1,991,000 granted by Parliament to Loyalists, as a Compensation for Loss of property in America,

No

No permanent Provision had ever been made for the progressive and certain Reduction of it: the Surplusses of the several Funds were indeed directed, by Acts of 3d and 5th Geo. I. to be formed into a Sinking Fund, for the purpose of reducing the National Debt, but no care was taken to *secure* the application of those Surplusses; and some of them were diverted, by subsequent Acts, to other Purposes, during the same Administration in which the Sinking Fund was established.

A general opinion is said to have prevailed, that the public Credit would be essentially injured, (if no worse consequences should follow) whenever the Debt should amount to £.100,000,000; and yet, during the Peace which intervened from 1748 to 1755, no Exertions appear to have been made to avert the Evil: in that period no more than £.2,730,000 was paid off. The same want of Exertion seems to have prevailed again in the following Peace, between 1763 and 1775, as the Debt was in that interval reduced something less than £. 5,600,000.

The

The neglect, however, of providing formerly an *unalienable* Surplus for the Reduction of the National Debt, when the Country was under fewer Pressures, was not considered by the Parliament of 1786 as an excuse, notwithstanding all the Difficulties which have been stated, for withholding from public view the magnitude of the Object; that Parliament had the wisdom and the firmness to pass an Act for vesting, unalienably, in Commissioners, the Sum of £. 1,000,000 annually; in which every possible precaution was taken, that could be devised, for preventing the Surplus from being diverted at any future time, and for carrying to the Account of the Commissioners for the purposes of the Act, the Interest of such Stock as should be purchased, and such temporary Annuities as should fall in*.

To this great and important object, as well as to the repeal of Taxes, the parlia-

* It may reasonably be attributed in some degree to this Measure, that the £. 3 Per Cents. were at the beginning of the last year as high as they were in the former Peace, when the Interest of the Debt was less than half the present Amount; and that they are now, in the month of April 1793, in time of war, much higher than at the end of 1785 and beginning of 1786, after three years of peace.

ment of 1792 directed its serious attention ; and £. 400,000 was granted out of the Supply of that year to the Commissioners, to be applied by them, over and above the accumulated Annual Sum; with an Expectation arising from an Estimate founded on an Average of four years Produce of the Revenue, that a Sum equal to the Amount of the Taxes repealed might in future be appropriated annually as a permanent addition to the Fund for the Reduction of the National Debt.

Amount of
Debt paid
off.

Under these provisions, TEN MILLIONS ONE HUNDRED AND NINE THOUSAND FOUR HUNDRED POUNDS of the Capital of the Debt has been purchased *; and the Amount of the annual Sum applicable this year for the Reduction of it, is ONE MILLION, SIX HUNDRED SIXTY-NINE THOUSAND, FIVE HUNDRED AND EIGHTY-TWO POUNDS, exclusive of the expected annual Addition above suggested.

* And Loyalists Debentures have been satisfied to the Amount of £. 1,444,000, which may be considered as a further Reduction of the Public Debt to that Amount.

The

The attention to the Public Credit did not confine itself merely to this Measure, for the positive Decrease of the then existing Debt ;—notwithstanding the many extraordinary Expences which a concurrence of Circumstances produced during the last eight years, beyond the ordinary Charges of the Peace Establishment, no addition was made to it, except £. 1,000,000 by the Tontine in 1789, and a Navy Debt to the Amount of £. 457,950 ;—deducting therefore these Sums from the Amount before stated to be paid off, the Debt was diminished at the beginning of the present year by £. 8,651,450.

A fresh and striking Instance of the determined adherence to the Plan for reducing the Debt, appeared on the Occasion of the Expences incurred by the threatened rupture with Spain ;—the Amount of those was upwards of £. 3,000,000, which Sum was provided for (without making any permanent addition to the National Debt) by imposing, for a limited time, higher Taxes than had ever been laid on in any year dur-

Extraordi-
nary Ex-
pences
paid with-
out in-
creasing the
Debt.

ing a War, sufficient to liquidate the whole within the space of four years.

Nothing can more clearly evince the Prosperity of the Country, than the success of this Measure, without affecting the Produce of any of the old Duties. The Precedent is a most important one, especially as no attempt of the kind had been made since the commencement of a Public Debt.

Its good Effects are not indeed confined to domestic Considerations; so unequivocal a Proof of National Prosperity, and of a Spirit to meet exigencies when they arise, without breaking unnecessarily in upon the system of the Reduction of the Debt, must contribute to make us respected by surrounding Nations.

HAVING

HAVING thus shewn the State of the Revenue, and the Diminution of the National Debt, we are naturally led to consider such other Measures, adopted since the meeting of the Parliament in 1784, as have contributed to our present Prosperity; and to close these Remarks with a Comparative Statement of our Trade and Navigation: The Result will demonstrate, that the measures taken for the Improvement of the Revenue, have not prevented a rapid Increase of the Commerce or the Manufactures of the Country; from whence we may also derive some confidence, that that Improvement is neither forced nor accidental.

In stating Causes of Increase to the Revenue, notice was taken of the Commutation Act, passed in 1784; but it remains to shew what Advantages have been derived from it in a Commercial View, as having increased the Importation of Teas by the English East India Company, as under *.

Commercial benefits derived from the Commutation Act.

Average

* The quantities actually sold by the East India Company, on the average of 8 Years, from September 1784, to September

Average annual importation by the Company and their Offi- cers in 6 years, from 1787 to 1792 inclusive, was - - -	lb 18,108,533
Average of D ^r for 12 years, 1773 to 1784, both inclusive *	- 5,605,074
Increased Importation - lb	12,503,459

The reverse of this, with respect to the quantities of Teas imported into other Countries, which used principally to supply our Consumption, is not less remarkable; they have decreased in proportion as our Importation has increased.

The Advantages of such a large additional Importation by the Company, to the Ma-

tember 1792; was lbs. 16,352,423; of which lbs. 2,061,842 were exported, and lbs. 14,290,581 were used for Home consumption.

* The years 1785 and 1786 are omitted in these Averages, because the Act passed late in 1784, and had only a partial operation in the two following Years, during which great Quantities of Tea were bought by the Company in Europe, for the supply of this Country.

nufactures,

manufactures, Shipping, and Navigation of this Country, are obvious; as it either finds a Market for the Produce of the Company's Possessions in India, or furnishes a Return for the Exports of Manufactures from hence.

The value of British Goods sent to China, which was in 1782-3 only £.106,000, and in 1783-4, £.120,000, was in the year 1792, £.626,000; and the average tonnage of Ships arrived from China in 8 years, from 1776 to 1783 inclusive, was 6,059 annually, which in 6 years, from 1787 to 1792, was 17,981 annually *.

The Act for regulating the Affairs of the East India Company, which passed in the same Session, 1784, occasioned long and frequent Debates, on certain constitutional Points which do not relate to our subject: But the effect produced by the system of management adopted in consequence of it is no longer equivocal; the Company are

East India
Regulating
Act.

* The Builders measurement is not to be obtained of all the ships previous to 1776.

enabled,

enabled, after a long and expensive War, to increase the Dividend to the Proprietors, to make an ample provision for the reduction of their Debt abroad and at home, to contribute largely to the Public Income; and to make a provision against future Calamities: India Stock, which in 1783, in profound Peace, was at £.119, is in April 1793, in time of War, at £.214.

Commer-
cial advan-
tages from
excising
Wine.

The measure of excising Wine has also proved of advantage to the Commerce of the Country, as well as to its Revenue, by occasioning the employment of many additional Ships, chiefly British, in foreign voyages to Spain, Portugal, &c. for the importation of an article, much of which used either to be manufactured at Home, or to be brought over from Guernsey, or the opposite Coasts of Normandy and Picardy*.

The chief Objections, which at the time were stated to the excising Wine and To-

* The Quantity is more than double what it was before the Measure took place. Vide P. 26.

bacco, were founded on the supposition of the hardships it would bring on the traders in these Articles, or of the danger which it might produce to the Constitution. The first of these Objections has been already taken notice of *; and, with respect to the second, it may be sufficient to remark, that there are now 441 Officers fewer than there were previous to excising Wine and Tobacco, with Salaries reduced upon the whole in the sum of £.6,900 a year †; this is owing to a reduction of the number in 1787, at which time the Salaries of all the inferior Officers were increased, in order to remove the strong temptation to corruption which they were under before, and to secure considerable benefit as well to the Revenue as to the fair trader.

Number of
Excise Officers,
reduced since
1784.

* It is remarkable, that since the excising these two Articles there have been only nine Suits in the Exchequer respecting them.

† A net revenue of more than £. 8,000,000 is now managed at a less expence to the Public, and with considerably fewer Officers, than a revenue much under £. 6,000,000 was in 1784.

Advantages of the Consolidation Act.

The advantages of the Consolidation Act, are in like manner not confined to the Revenue; the Merchants, Traders, and Manufacturers find great Relief from it. The Duties of Customs, which were before so intricate that few Men in the Country were capable of computing them, are now so plain, that every Importer can make his own Entries with ease, and ascertain correctly the amount of what is due on his goods.

Provision against future unproductive Taxes.

The Act also guards (as far as the nature of the subject permits) against the serious Inconvenience of not providing Productive Taxes to pay the Interest of Loans in future, by directing the Produce of all new Impositions, and the Amount of such Interest, to be laid before Parliament at the beginning of each Session; for the necessity of this Precaution, and the infinite advantages to be derived from it, we need only refer to the Instance of the Deficiencies in the last War, and in the first year of the Peace, as already mentioned *.

* Vide P. 18 to 21.

Considerable

Considerable facility is likewise obtained by the Act, in ascertaining, charging, and accounting for the Duties of Excise and Stamps, particularly the former; and the Accounts in all the public Offices are simplified in such a manner as greatly to accelerate the furnishing such Information as may exhibit, from time to time, a just view of the situation of the Country.

Simplifica-
tion of Ac-
counts.

It is not, however, in this instance alone, that the object of simplifying Accounts has been attended to; those who have adverted to the Reports of the Committees of 1786 and 1791, will perceive that the Income and Expenditure of the Country are therein so developed, as to make a Subject clear and intelligible to every one, which was before in general little understood.

The System which has been uniformly adopted, during the Period before us, in every instance of Loans or Lotteries, by receiving Proposals publicly, and contracting with those who make the most favourable

Mode of
making
Loans.

Offers, insures to the Public the borrowing on the best Terms that existing Circumstances will permit, as well as the deriving the greatest possible advantage in aid of the Revenue annually from Lotteries, so long as the Legislature shall judge it proper to avail itself of that Resource.

Act for au-
diting Pub-
lic Ac-
counts.

Losses to an immense Amount had been sustained by the Public, from Persons to whom large Sums of Money had been issued, and who had not rendered any Account * :

A very

* The late Commissioners of the Public Accounts state, in their 8th Report, that £. 126,000,000, issued to various Public Accountants in 16 years, to October 1780, exclusive of the unsettled Debt of Lord Holland, were unaccounted for;—and in their 10th Report, that between 1746 and 1783 there were 664 Persons, Sub-accountants for Army Services, who remained accountable to the Public for the Sum of £. 38,933,920;—of the latter, more than 150 have rendered Accounts to the new Board of Commissioners for taking and stating the Public Accounts, to the Amount of upwards of £. 35,000,000; besides all the Accountants in the ordinary course.—It is not however meant to suggest, that by much the greater part of the Totals stated by the late Commissioners for Public Accounts, though not accounted for, were not in a great proportion properly expended; the Fact probably

A very large Proportion of them had never been called upon; the few who were, with those who voluntarily tendered themselves, passed their Accounts for Millions, before a Deputy or Clerk, appointed by an Auditor, who always considered his own Office as a Sinecure. To remedy this Evil, an act was passed in 1785, for better examining and auditing the Public Accounts of the Kingdom; since which, they have been examined with attention and scrupulous exactness*,

bably is, that they were so: But on the other hand it is highly improper, that the whole should not have undergone a regular investigation in due time; and it is incontestably true, that large sums have been lost to the Public, from the Parties, who failed to account for the same, having in some instances become insolvent; and in others, from their property having descended in a manner not now to be traced, which in most of the Cases would render any Attempt, at this time, to recover the Balances due, perfectly desperate.

* Sums amounting in the whole to near £. 800,000 have been re-paid into the Exchequer by Accountants, or their Representatives, between January 5, 1784, and January 5, 1793, arising from the Investigation of the new Board of Accounts, and of the Comptrollers of Army Accounts; including some Balances re-paid by Agents in consequence of a strict Examination made by three Gentlemen appointed for that Purpose.

and

and the effects of this law will be felt in its full extent, now that we are forced into a War, little expected when the first edition of this Examination was published last year. Sums, beyond all belief to Persons not experienced in such Matters, would have been saved, if such an Institution had been provided previous to the two last Wars.

Compa-
risons of
Commerce
and Navi-
gation be-
fore and
since the
last war.

It must be in the recollection of every one, how universal a persuasion prevailed, that the separation of the American Colonies from Great Britain would be felt as a great and severe wound, injuring our Resources and lessening our Navigation. We cannot, therefore, but contemplate with some degree of Pleasure on the Effects produced by the Measures before alluded to, and by various other Causes which have contributed to the general Prosperity of the Country. To compare the Revenue at different Periods, before and since the Separation, would not alone be admitted as a Criterion, because

because new Taxes have been since added to a large Amount; although it is no equivocal Proof of the Energy of the Country, that, under an immense accumulation of Debt and Taxes, it has been able to effect most successfully what was never before attempted, the gradual and certain reduction of the Debt.

A more direct Argument will however arise from an inquiry into the State of our Navigation and Commerce during the Years of our greatest prosperity in the last Peace, and at this Time.—In this Inquiry there occurs some difficulty as to the Navigation;—it is to be lamented, that previous to 1786, no Ships were registered in Great Britain, except those which traded to the Plantations: Entries of Ships outwards were till then made very loosely; there was no sort of check on the Master or Owner, who invariably represented the Vessels of a less burthen than the real Tonnage, to save the payment of Light Duties and other charges; notwithstanding which, a tolerable judgment

ment may be formed of the Increase of our Navigation, by comparing the *Numbers* of the Ships cleared out at the different Periods, having in view that, previous to the separation of the Colonies from Great Britain, all American Shipping was deemed British, and that the Size of our Ships is now larger than at that Time.

Number

umber of British Ships
UTWARDS from Great Britain.

* Shipage.	Ships.	Tonnage.
1772 - 7,6811	1789 - 13,648	- 1,515,021
1773 - 8,2042	1790 - 12,762	- 1,424,912
1774 - 8,5904	1791 - 13,501	- 1,511,246
1775† 9,2854	1792 - 13,881	- 1,560,307

£.17,821,000
19,130,000
19,669,000
19,629,000

the following Years:

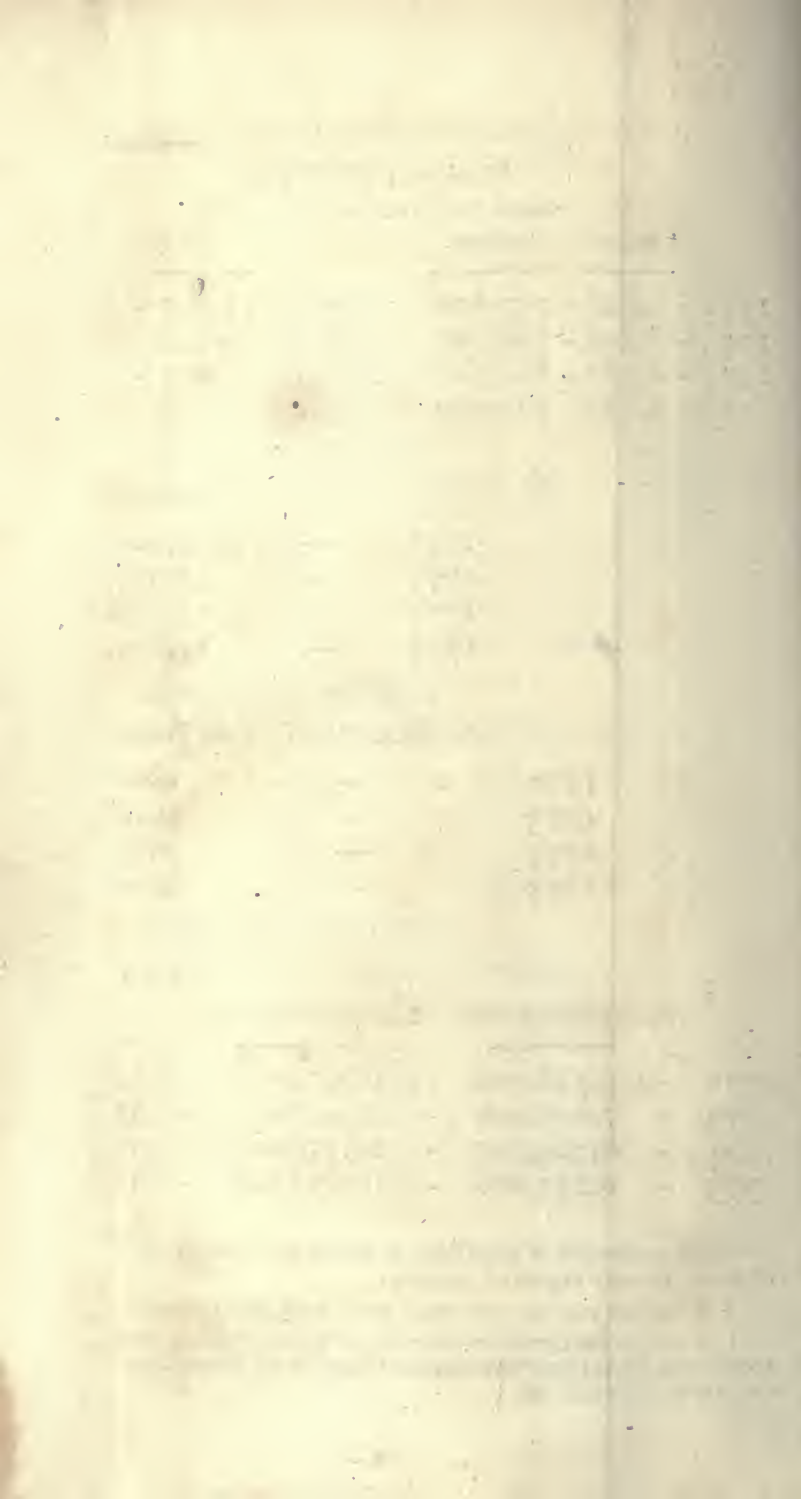
—	11,498
—	12,059
—	12,536
—	12,931

Foreigners.	British Manufactures.	Total.
1772 - £.00	- £.13,779,000	- £.19,340,000
1773 - 00	- 14,921,000	- 20,120,000
774 - 00	- 16,810,000	- 22,731,000
775 - 00	- 18,310,000	- 24,878,000

* The property large; but it is impossible to ascertain the number of them, with any accuracy.

† From this

‡ A comparison, because, previous to the late Register Act, no account was kept, as the ships were not accurately measured before the passing of the



Point of View as possible, the following
Principal Heads which have been enumerated, in
to.

Price of £. 3 per Cents Consol.

April 30th 1793.

- - £. 77 $\frac{3}{4}$

Price of India Stock.

April 30th 1793.

- - £. 214

Value of Imports, 1792.

- £. 19,629,000.

Value of Exports, 1792.

Foreign Produce.

TOTAL.

£^o

£. 6,568,000

£. 24,878,000

No. of British Ships entered Inwards to
Great Britain in 1792.

- - 13,030.

British Ships cleared Outwards from
Great Britain in 1792.

- - 13,881.

Amount of Permanent Taxes in 1792.

- £. 14,284,000

In 1792 the whole of the Revenue,
Expenditure on the reduced Peace Establishment.

- £. 2,031,000 +

not paid till a subsequent Year.

Speech on opening the Budget 17th February 1793



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